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SHAM/OBOPUS/PSYCH  
RNCASTING In Egypt

Forwarded, under separate cover, is an expose of RNCASTING's activities in Egypt as received by [ ] on or about 26 October 1953.

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1 Enclosure: (UNDER SEPARATE COVER)  
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Prepared by:

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CASE OF KING ZOG IN EGYPT

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Since the departure of King Farouk from Egypt, the Egyptian newspapers have put on the same rank the matter of all monarchies. These same newspapers which used to be paid once by Farouk, as soon as they were delivered from their bonds, started to attack King Zog almost immediately.

At first this was considered a journalistic speculation and even one of them denied his article in which he had said that Farouk and Zog were on bad terms.

Then came a period of quiet during which rumours were circulated concerning steps being taken to close down the Legation in Cairo.

During the summer of 1953, King Zog and his family decided to leave Egypt and settle down in some country where Prince Leka could follow a proper education. For this they thought leaving for the States, but on account of the delay of the obtention of visas for his suite this desire was not realised, to go the United States.

It seemed that the matters had been settled and that King Zog would have left Egypt in the midst of October for France, but all of a sudden the Legation was closed and the Egyptian newspapers took a different tone regarding the King calling him "mister". Then a few days later they started a new campaign asking the King for accounts on fabulous gains he had made. Then one day, the members of the Court of Justice and the Police went to the house of King Zog and asked to open the safe and cover the documents which were in it. The King opposed himself saying that he enjoyed political immunity and that he would not allow such.

The different accusations made against the King are at the number of three: "the King is trading, and this trade he has not declared and done through different people to escape the governmental taxes."

The Egyptians know perfectly well that during his stay in Egypt the King has done no official trade.

When he wished to leave Egypt, he sold his house with some beneficence and payed about 4.500 pounds as taxes.

King Zog has officially asked the Egyptian Government to deliver him an export permit to send 10.000 dollars to pay the taxes on his house in New York.

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He gave a certain amount of money to some friends of his to use for some business, but where he had no benefit, because his friends ate his money.

Before the taking place of these events, the King wanted to fix his relations with the people, to whom he had lent some money, but there have always been a settlement.

From what is to be understood from far away the matter seems to be as follows:

The reasons which urged the new Egyptian Government to take such a step are quite obscure, because in the juridical point of view they could have used a different power, before acting so roughly.

No person enjoying immunity can be kept from taking a loan as long as his person is not in evidence, but it is most probable that those who have borrowed money in order to save themselves, have mixed the person of the King.

The Egyptian Government is not taking in consideration that the closing down of the Legation does not lead to the withdrawal of the diplomatic immunity of a King. In most European countries the former Kings have been given a diplomatic immunity, even when expelled from their country, and this without any pressure from the foreigners; of any kind.

The public opinion actually believes that although the accusations made against King Zog concern his financial status and the payment of taxes, there is a political reason hidden behind this, which the adversaries of the King will exploit to put on him a political stain, pushing the Egyptian Government to act thus.

From what we know the facts are the following:

1. When King Zog came from London in 1946 to Egypt, he came with his own means and enjoying a political and diplomatic immunity.
2. In order to live the King has tried to make some trade but no speculations and this has failed.
3. In Egypt he bought an old house and the land and built on it a villa and lived there for some time after having bought the adjoining house for his sisters. After living there for two years and not

having paid any taxes in favour of his diplomatic immunity he sold the house to the son of King Ibn el Sedal, prince Faleh, who enjoys he too the political and diplomatic immunity. During the transaction there were about 4,500 egyptian pounds to pay for the transaction of the house and furniture. From this sale he made a benefit for himself.

4. King Zog has often tried to buy some land in Egypt and cultivate it. But the Egyptian Government as for all expatriate individuals has asked for silver devises. So his request was not realised but the transaction to pay the taxes on his house in the States was allowed.
5. King Zog has lent to Jahsin Serragedine, the brother of Sraggedine Pacha, some money during the period when Nahas Pacha was prime minister.
6. When King Zog has sent his gold out of Egypt, he asked for a permit from the egyptian government and received such from the Minister of Finances.

The second hypotheses is that what is happening in Egypt is done with the aim of discrediting the King, and is may be the propaganda of some extremist albanian elements as well as with some persons whose political colour needs to be investigated, and who are in connection for this campaign with some egyptians of same tendency.

The opinion is that the King will refuse to pay the taxes requested by the Egyptian Government.

The reason for the presentation of this relation is based on three points:

1. Juridical: To show that in no manner King Zog has speculated and traded, to have grounds for a trial;
2. Political: Although the egyptian government has tried to diminish the prestige of the King, it has reached the point of proving that inspite of his large family and the support distributed everywhere, he has not asked anything from anyone and tried to secure his own living.
3. Diplomatic: In the annals of the International Law and Diplomacy the different Legations have always represented the chief of state, but the change of

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does not exclude the existence of the representations of fallen regimes also. For instance the white russians had their legations in Athens and France in some half official manner has maintained and given a subvention to many anticommunist representations.

The Egyptian Government has based the closing down of the Royal Albanian Legation in Egypt on a decree, this means to say arbitrarily. As act of courtoisie, they could have closed the Legation after the departure of the King, at even twenty four hours after. This sudden closing down proves that the Egyptian Government intended to use Zog as an example for the intentional aims of the change of regime, this is to say republican. However one can not exclude that the closing down of the Legation has been done according to a pressure of the communists, as the one loan against the British in the Suez Canal.

There is no doubt that the elements who are supporting or sustaining the part of Egypt, are playing the game of the communists, because the fight which is done actually against King Zog is not an institutional fight of the regime, but only as a factor which is the person of King Zog in the albanian affair.

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This exposé has been done confidentially by Dr. Kemal Jussufati, doctor of the King and the Royal court, for GC who had asked him about the truth on the situation, as he had come freshly from Egypt and is a close friend of GC.

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